Estimated Corporate Income Tax

What is the estimated tax penalty for C Corporations?

The estimated tax penalty for C corporations will be assessed if the required estimated tax payments are not paid in a timely manner. The penalty will be the appropriate Colorado income tax interest rate times the underpayment for each quarter times the underpayment period. This penalty is computed on Form 205.

No estimated tax penalty is due if the Colorado tax liability is less than \$5,000.

If a short taxable year is involved, the income must be prorated on an annual basis. The \$5,000 requirement for filing estimated tax payments will be the same as for a full-year taxpayer.